STATINTL	Approved For Release 2002/06/13 :

Re:

STATINTL

13: CIA-RDP69B00279R000300060017-9
February 3, 1964

Dear John:

Subject Contract was negotiated last fall for the furnishing of three special systems plus spares and installation services. During the ensuing months we have built the systems in a QRC basis and have gone this route of delivering spares and preforming installation services.

At this time, we are recomputing the effort on the program, comparing it with the original concept and have the following points to present:

1) The original Specs called out a requirement for Amplitude Measurement. This requirement was waived reducing the cost of the program. (See Attachment I.) This estimate is based on work done on Video Amp and Amplitude Measurement.

2) An antenna modification was required. This caused additional STATINTL effort on the program, the cost of which is reflected in Attachment II.

- 3) In negotiating the contract, we bid on furnishing spare parts as shown on the list attached to our bid. We determined, however, that spare Modules totaling essentially an entire system (exclusive of hardware) should be furnished as back-up for the three deliverable systems. This change in spares concept caused additional effort which is reflected in Attachment III.
- 4) We took on an additional task during our performance of this program in reviewing, refurbishing, and moving the ground van. This work caused additional effort. The cost of this effort is shown in Attachment IV.
- 5) Our installation-field services effort exceeded that expected at the outset of the program. See Attachment V.
- 6) We have supported personnel for a two-week period who are to provide operational support. These costs are shown in Attachment VI.
  - 7) In readying personnel for operational support we incurred the costs STATINTL shown in Attachment VII.

Attachment VIII of this letter is a summary of the cost status of the program including the above seven points. This summary shows additional effort of we are proposing fee so our request for a change in the program funding is as follows:

STATINTL STATINTL

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STATINTL	<u>-</u>	February <b>3</b> , 1964
Re:		
	<b>J</b>	

Please call on us for any additional information you may need.

Very truly yours,

J/s STATINTL